

Inclusive investment opportunities in Tanzania's dairy value chains: Exploiting the Evidence: What next for Policy Advocacy?

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Outline of the presentation

- 1.0 Background and the Context
- 2.0 Current initiatives by the GOT to the sector`s development
- 3.0 Trends of Public Financing to the sector
- 4.0 Challenges facing the sector
- 5.0 Policy Recommendations

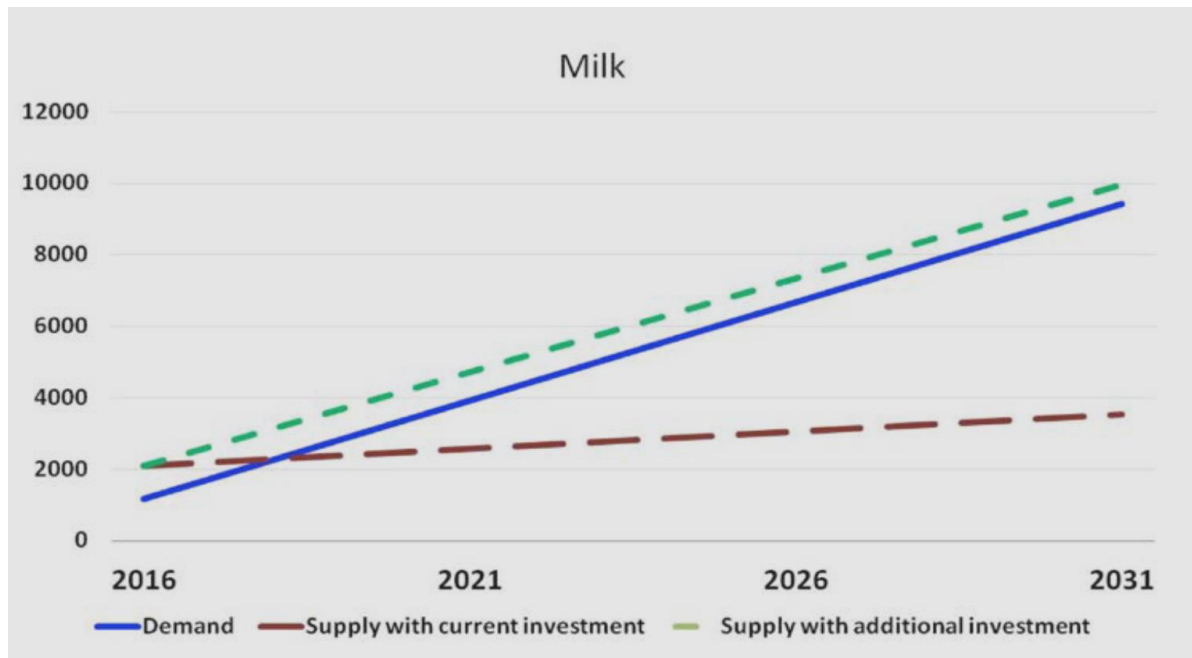
1.0 Background and Context

- Livestock is central to the livelihoods of rural Africa and is strategically important to the continent's food and nutritional security, intra-African and global trade opportunities.
- It is becoming widely recognized that the alternative to increased livestock production would be the increased livestock import bills for many African countries.
- The failure to transform the African livestock industry would adversely impact on the:-
 1. Local industries growth
 2. Deny employment opportunities to the youth who dominate Africa's growing human population
 3. Reduce income for African livestock producers and other actors along the value chain, and
 4. Result in loss of revenues, taxes and import income

1.0 Background and Context

- In addition, some deficits are projected to occur in Tanzania if the serious investment will not be taken

Supply of milk with current investment, Additional investment and the deficits (ITC, 2015, ANSAF and PF 2016)



1.0 ANSAF and TrustAfrica Initiative

- ANSAF and TrustAfrica are implementing a project *Strengthening Livestock Policy Advocacy in Tanzania*
- During the livestock stakeholders convening in Dodoma in February 2017, it have been identified four main issues affecting the livestock sub-sector in Tanzania.
- These issues are related:
 1. Budget allocation and transparency
 2. Equitable access to resources, capital and livelihoods options
 3. Markets, Trade and Business Environment
 4. Inputs for the livestock sector and
 5. Issues related to Land use.

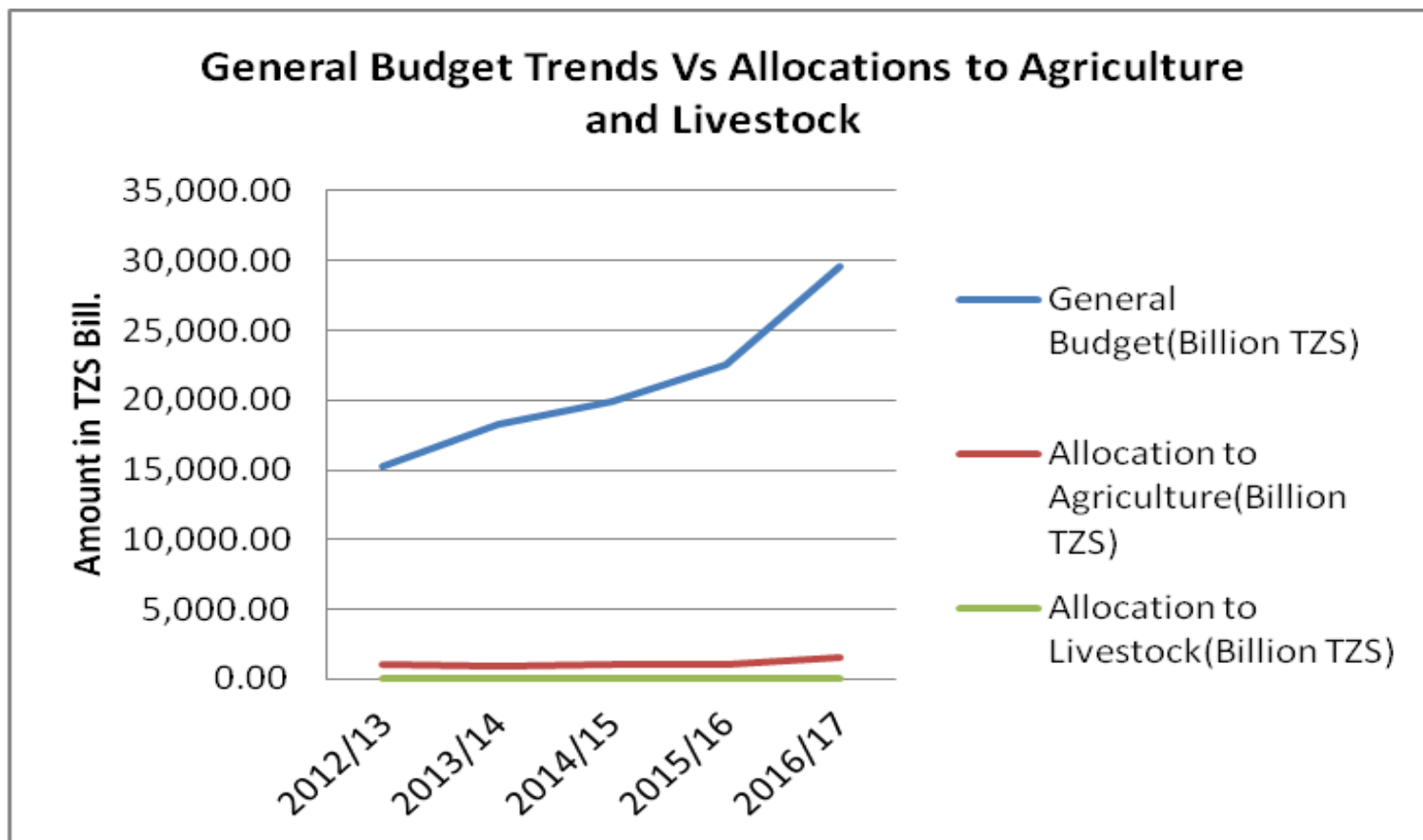
2.0 Current initiatives by the GOT

- The government is making good efforts to transform the livestock sub-sector into robust and more productive
- It is currently implementing the following initiatives which are touching the sector
 - The Tanzania Livestock Sector Modernization Initiative (TLMI) 201
 - The Tanzania Land Tenure Support Programme (LTSP)
 - The Livestock Master Plan (LMP)
 - The Second Five Years Development Plan (FYDP II)
 - The Second Agriculture Development Programme (ASDP II)

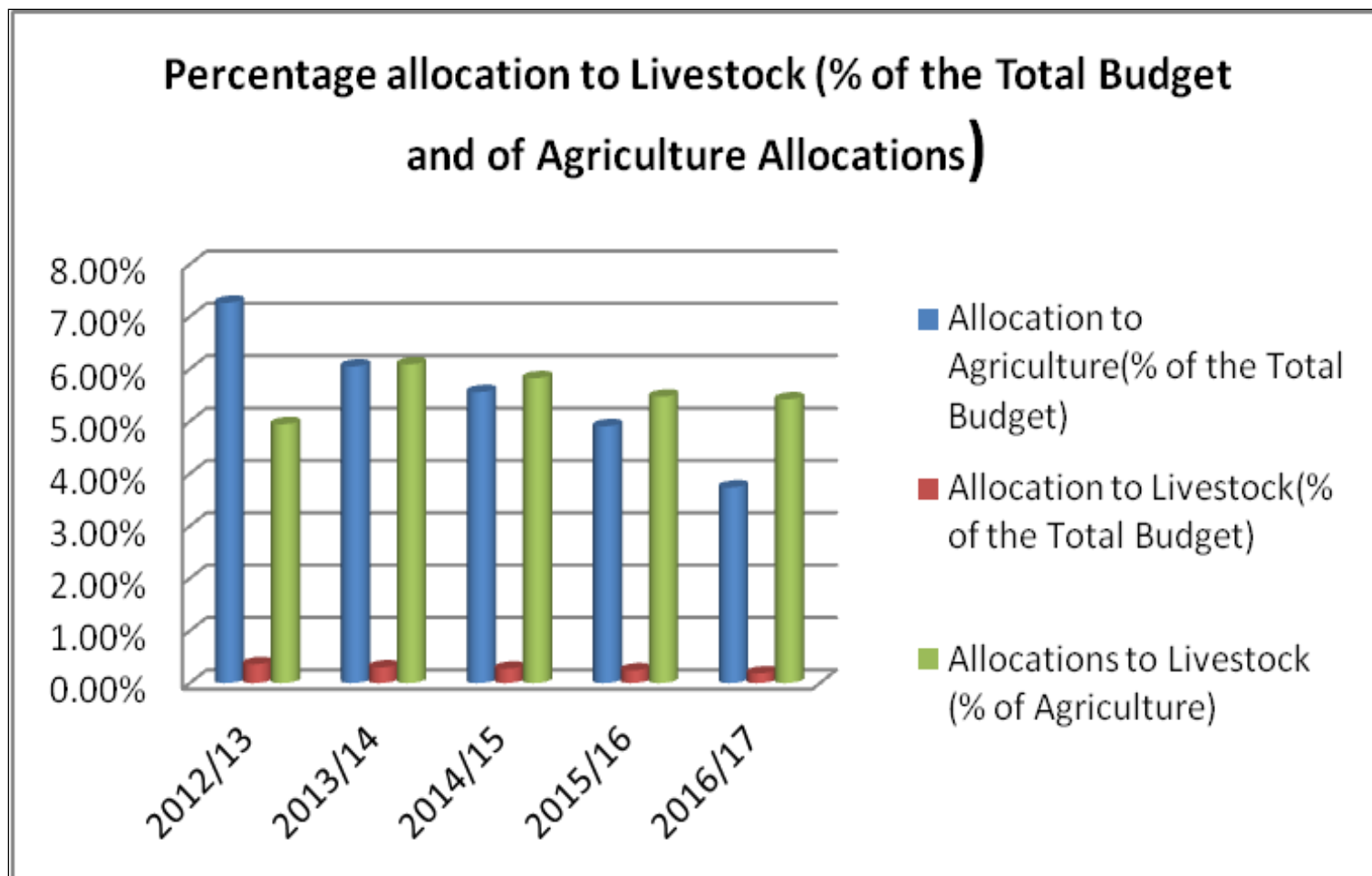
2.0 Current initiatives by the GOT

- Despite of these initiatives by the government; there is a need to connect them with equitable budget allocation to support the sector
- Without equitable fiscal allocations, these indicatives will not last longer and can otherwise compromise the sector`s contribution to the GDP
- This requires a collaborative efforts between CSOs and Private sectors to influence policy makers for equitably financing the sector

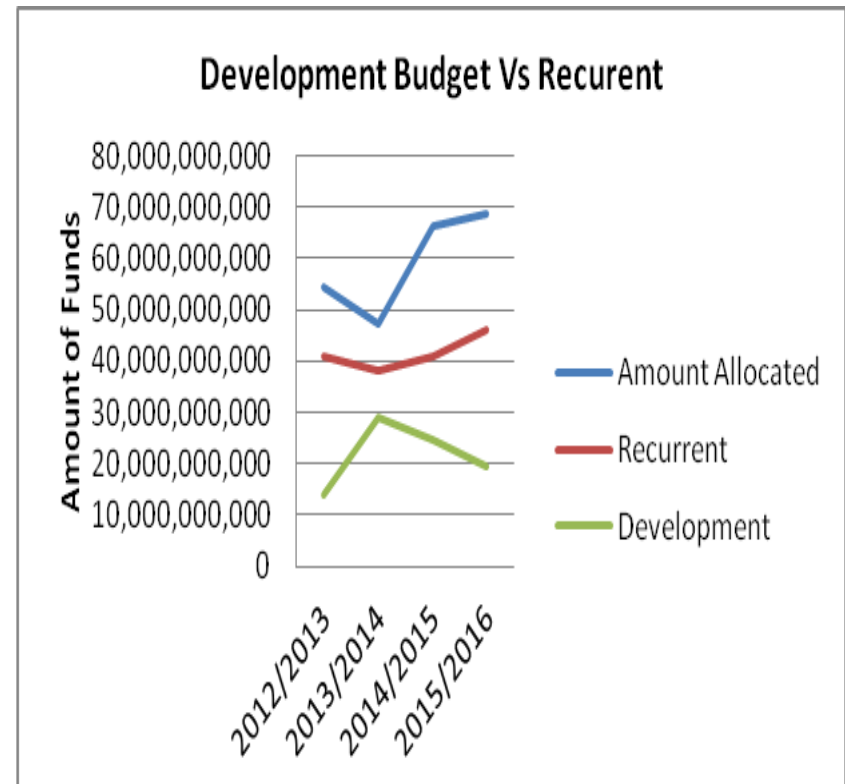
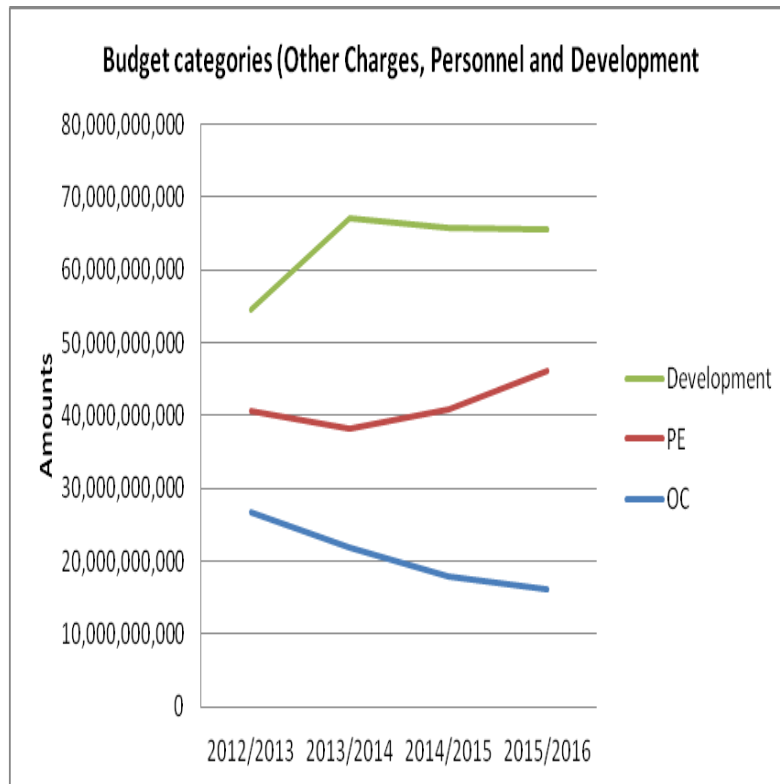
2.0 Overview of Public Financing to the Sector



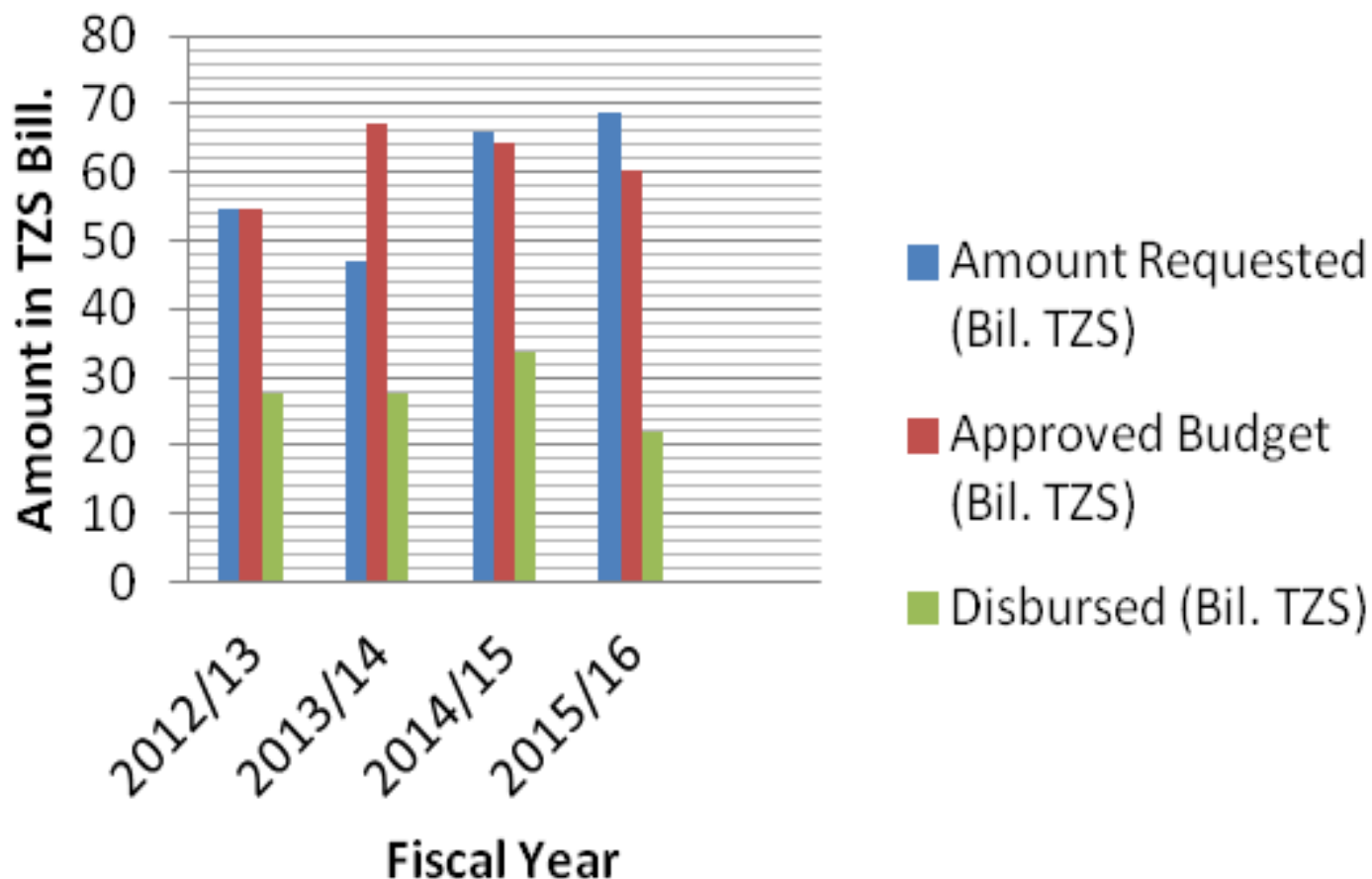
2.0 Overview of Public Financing to the Sector



2.0 Budget Categorization of Livestock Sub-sector Budget



2.0 Budget Performance



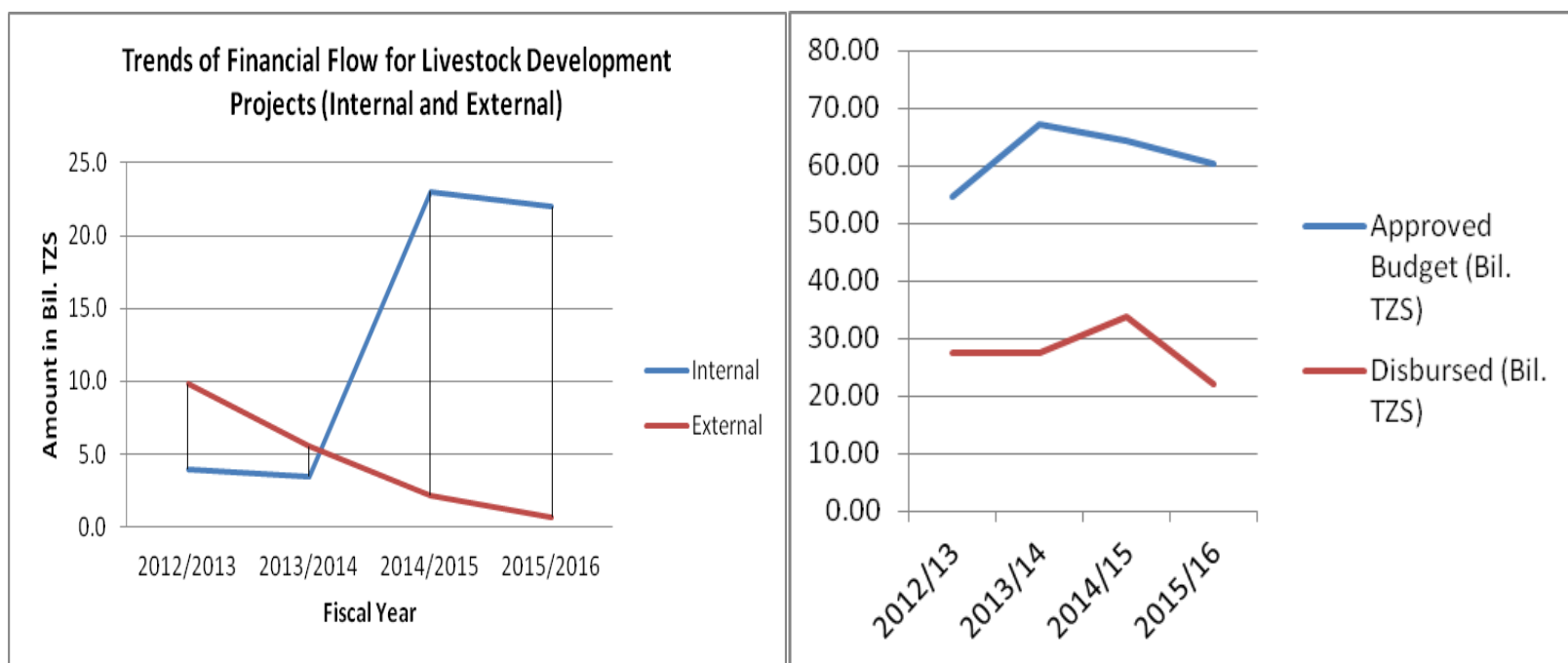
2.0 Financial Flow as Per Source

- There have been a decline in external financing to the sector to support the sector in recent years

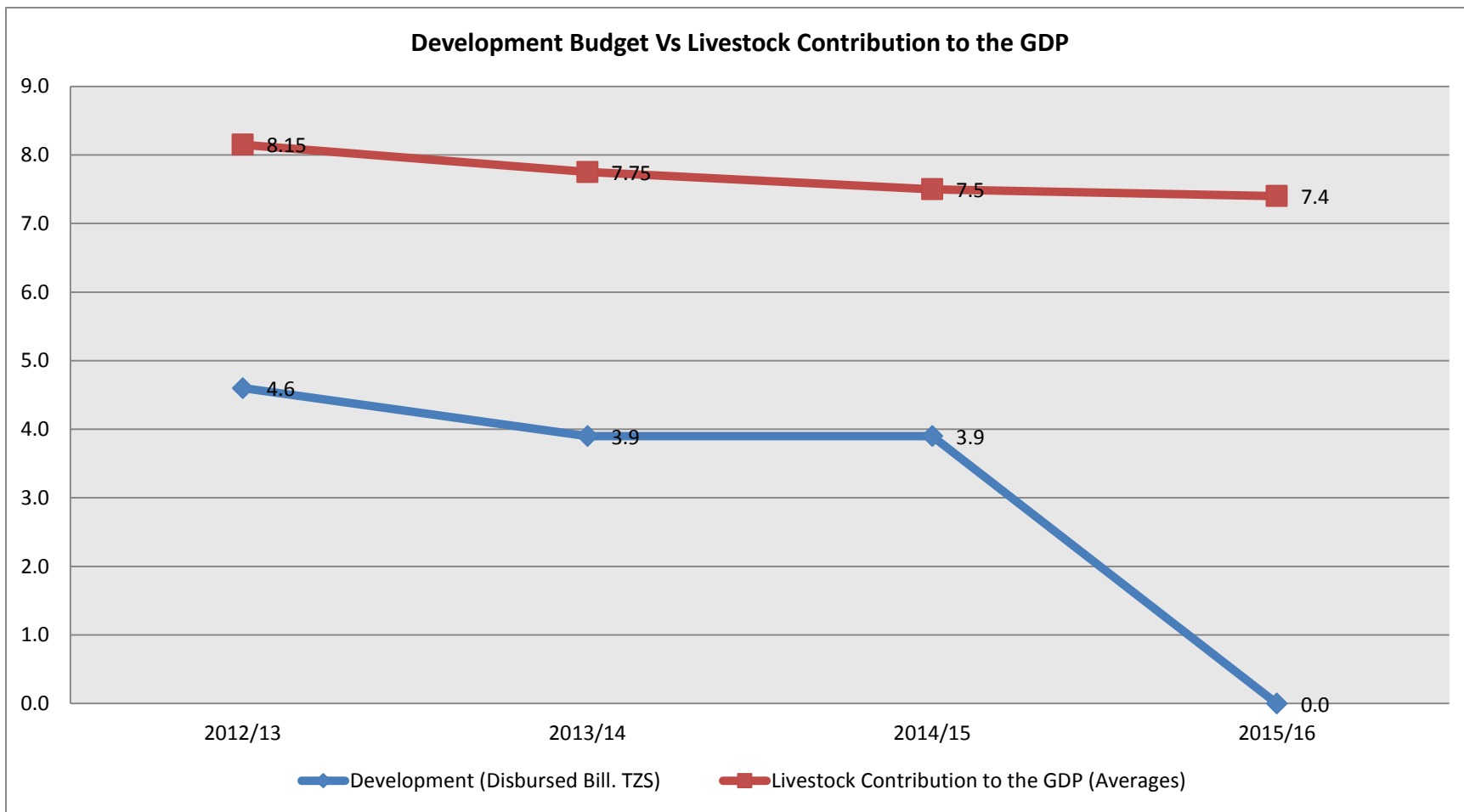


3.1 Relationship Between Disbursement and Source of Funds

- The decline in external funding has a positive trend relationship with disbursement



3.2 Relationship Between Development Budget Allocations and Livestock Share to the GDP



4.0 Critical Issues to the Sector

- There are several issues affecting the livestock sector particularly the business environment
- These include:-
 - Inappropriate Legal and Regulatory Frameworks
 - Multiplicity of Taxes
 - Limited Capital and Access to Affordable Credit
 - Inadequate Budgetary Allocation
 - Low participation of Youth in the VCD

4.0 Policy Recommendations

- There should be an increased fiscal allocation from current 0.18% to at least 2%.
- The government should make sure that the approved budget is released in a timely manner
- The government should consider impacts of low fiscal allocation to developing livestock sub-sector to give a positive contribution to the national economy
- Increase investments in key strategic areas such as livestock inputs, extension services, livestock value chains development including dairy value chains, hides and skins value chains
- The % of budget allocated to livestock development should be higher than that of recurrent component

4.0 Policy Recommendations Con't

- The public financing should also focus on promoting an enabling environment and reducing the regulatory burden so as to attract private sector and small-scale livestock keeper investment to the livestock sub-sector's value chains
- The government to giving a strategic priority to resolve the ongoing conflicts between farmers and pastoralists on one hand and pastoralists and conservationists on the other hand
- Priority in public financing should be given to the 'low-hanging fruits' such as leather, dairy and other value chains where economic gains are easier to obtain.
- Youth should be mobilized and empowered to engage in VCD

Thank you for your Attention

